Housing Starts

Alberta housing starts drop after a busy summer...

Alberta's housing starts retreated 20.2% in September to 24,900 units (seasonally adjusted at annual rates), after growing at the fastest pace in two years in August. Year-to-date, housing starts averaged 23,900 units, down 15.2% from the same period in 2010. Nationally, annualized housing starts in September jumped 7.3% to 205,900 units, but decreased 2.3% over the same period last year.

*Seasonally adjusted at annual rates
Source: Canadian Mortgage & Housing Corporation

New House Price Index

Alberta house prices remain stable...

Despite an increase in housing starts in August, the Alberta new house price index remained flat and grew at a mere 0.2% year-over-year in August. New house prices in Calgary fell 0.5% year-over-year, while prices in Edmonton grew 0.9%. The new house price index for Canada increased 0.1% from July to August and grew 2.3% year-over-year.

Merchandise Trade

Alberta exports surge...

The value of Alberta's international exports jumped 7.2% in August to $8.5 billion, a level not seen in almost 3 years. This large increase was mainly due to increases in the forestry sector (38.7%), automotive products (22.4%), and machinery and equipment (20.7%). Decreases were recorded in only two categories: agriculture and fishing products (-6.6%) and industrial goods and materials (-1.6%).

Canada's trade deficit widens slightly...

Canada's trade deficit was less than analysts expected this month, increasing to $622 million in August from $539 million in July. Merchandise exports rose 0.5% to $37.9 billion and imports were up 0.7% to $38.5 billion.

Canadian Dollar (US¢/C$)		
1.8%	October 14, 2011	98.55
	October 7, 2011	96.82
	2011-12 Fiscal YTD Average	*102.28*
WTI Oil US$/bbl*		
4.6%	October 14, 2011	$86.80
	October 7, 2011	$82.98
	2011-12 Fiscal YTD Average	*$94.44*
Nymex Natural Gas US$/MMBtu*		
1.1%	October 14, 2011	$3.70
	October 7, 2011	$3.48
	2011-12 Fiscal YTD Average	*$4.17*

*Based on the closing price of the near month contract

Manufacturing Shipments

Shipments pick up again...

Alberta's manufacturing shipments picked up by 0.4% in August, to $5.8 billion. The improvement came from increases in shipments of paper products (13.3%), computer and electronics (8.7%) and machinery (6.4%). Compared to August 2010, Alberta shipments were up 15.6%, while the year-to-date growth of 16.2% was the highest among the provinces. Canadian manufacturing shipments rose 1.4% in August and were up 6.7% over August 2010.

Canadian Economy

Canadian dollar appreciates...

Positive economic indicators in Canada and a lift in global confidence buoyed the Canadian dollar, which increased by almost 2 cents since last Friday to close at 98.55 cents today.

Oil and Gas Prices

Oil recovers as natural gas stagnates...

This week saw natural gas prices (Henry Hub) near 52 week lows. The price of natural gas has been trending lower due to mild weather and high natural gas inventories in the U.S. due to the production of shale gas.

The IEA and OPEC lowered their oil demand estimates for 2012 on Tuesday, citing risks to global growth. Despite this, oil prices recovered today from earlier lows this week, as fears of a global recession were offset by positive economic data and apparent progress by the G20 on help for Europe's debt crisis.

Current Economic Indicators

	2009	2010	2011YTD*	Apr	May	June	July	Aug	Sep
Population									
Population [1] (000's) (level)	3,672	3,721	3,779	3,758	--	--	3,779	--	--
% change	2.2	1.3	1.6	1.5	--	--	1.6	--	--
Net Interprovincial Migraton [1] (level)	13,184	-2,183	13,660	5,275	--	--	4,720	--	--
Net International Migration [1] (level)	16,835	21,533	22,081	4,266	--	--	7,080	--	--
Net Non-permanent Residents [1] (level)	19,162	-77	-7,988	-558	--	--	1,233	--	--
Labour Market									
Employment (000's)	2,025	2,017	2,082	2,060	2,069	2,091	2,103	2,110	2118
% change	-1.3	-0.4	3.5	2.9	2.8	3.5	3.8	4.2	4.8
Unemployment Rate (%)	6.6	6.5	5.6	5.9	5.4	5.6	5.5	5.6	5.4
Participation Rate (%)	74.3	72.9	73.5	73.2	72.9	73.7	73.9	74.1	74.2
Average Weekly Earnings ($)	950.01	993.13	1030.96	1032.26	1035.77	1038.46	1022.57	--	--
% change	2.8	4.5	4.7	3.3	4.8	4.7	2.2	--	--
Price Indices									
Consumer Price Index	-0.1	1.0	2.1	3.0	2.8	2.1	1.9	2.9	--
Excluding food and energy	1.4	0.8	0.6	0.4	0.8	0.2	0.4	0.8	--
Non-Res. Building Cons. Price Index [2]	-9.8	-0.1	3.1	2.6	--	--	--	--	--
Farm Product Price Index	-10.6	-3.9	17.2	17.0	11.4	--	--	--	--
Crops	-18.9	-14.5	17.2	19.4	19.8	--	--	--	--
Livestock	-2.8	5.7	18.4	16.1	10.6	--	--	--	--
Household Sector									
Housing Starts (SAAR, 000's) NEW!	20.0	27.1	23.9	22.2	25.2	23.7	25.6	31.2	24.9
% change	-31.6	33.5	-15.2	-24.5	-14.9	-11.6	-12.6	32.8	-9.8
New Housing Price Index	-9.0	0.5	0.4	0.1	0.3	0.3	0.1	0.2	--
Edmonton NEW!	-11.2	-0.8	0.9	0.4	0.7	1.2	1.1	0.9	--
Calgary	-6.7	1.7	-0.1	-0.2	0.0	-0.3	-0.8	-0.5	--
MLS Average Resale Prices ($ 000's)	340.5	350.9	353.9	360.1	351.7	351.7	353.6	356.3	--
% change	-3.1	3.1	0.3	0.6	-2.4	-1.3	0.4	2.3	--
Edmonton	319.1	326.5	323.5	326.4	322.7	322.6	326.1	325.1	--
% change	-3.5	2.3	-2.0	-4.2	-3.0	-1.8	0.0	-1.4	--
Calgary	384.3	397.4	401.3	404.4	403.7	399.3	399.2	404.8	--
% change	-4.2	3.4	0.8	2.2	-1.3	-2.3	-0.9	3.4	--
Retail Sales	-8.3	6.0	5.8	7.5	7.9	7.4	5.5	--	--
New Motor Vehicle Sales	-21.7	9.3	8.1	9.0	6.8	16.6	5.8	--	--
Consumer Bankruptcies	9,986	8,150	4,334	640	617	649	534	--	--
% change	64.6	-18.4	-11.9	-14.0	-8.2	-16.6	-14.7	--	--
Business Sector									
Rigs Drilling	128	207	269	123	84	150	240	323	346
% change	-45.6	61.3	44.3	100.4	50.4	26.9	20.8	45.2	95.5
Goods Exports (customs based)	-36.6	12.4	13.3	9.1	13.3	14.9	19.4	30.6	--
Energy NEW!	-40.2	17.2	13.9	6.5	15.8	14.8	23.5	33.7	--
Agriculture	-12.3	-14.4	5.7	11.6	3.8	-0.2	8.3	6.7	--
Total Farm Cash Receipts (quarterly)	-8.0	-3.9	15.9	-11.1	--	--	--	--	--
Manufacturing Shipments NEW!	-23.7	11.0	16.2	19.5	16.7	16.0	15.1	15.6	--
Wholesale Trade	-15.9	10.8	14.5	9.7	17.0	18.6	15.3	--	--
Building Permits	-14.2	2.1	4.3	-22.3	11.7	-14.9	17.4	37.4	--
Residential	-11.8	24.7	-6.2	0.2	-10.2	-3.6	9.5	27.1	--
Non-residential	-16.3	-19.0	19.8	-49.0	51.9	-26.1	30.3	50.8	--
Business Bankruptcies	405	378	148	17	22	16	15	--	--
% change	-9.4	-6.7	-34.8	-54.1	-37.1	-30.4	-44.4	--	--

Government of Alberta
Finance and Enterprise

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

1 Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

2 Quarterly, average of Calgary and Edmonton

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province